

SEP 20 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of

Amendment of Part 95 of the Commission's Rules to Modify Construction Requirements for Interactive Video and Data Service Licenses

DOCKET FILE COPY ORIGINAL

WT Docket No. 95-131

EON Corporation (EON) respectfully submits its comments to the Federal Communications Commission (FCC or Commission), in the above-captioned proceeding.^{1/} EON, the leading supplier of IVDS equipment, does not object to the Commission's proposal to eliminate the one-year construction "buildout" requirement imposed upon Interactive Video and Data Service (IVDS) licensees. The buildout requirement was imposed before the Commission was given statutory authority to award radio frequency spectrum licenses through competitive bidding. EON agrees with the Commission that the introduction of

^{1/} *In the Matter of Amendment of Part 95 of the Commission's Rules to Modify Construction Requirements for Interactive Video and Data Service (IVDS) Licenses, Notice of Proposed Rulemaking, WT Docket No. 95-131, (rel. Aug. 14, 1995) (Notice).*

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auctions to assign IVDS licenses has created significant short-term incentives for licensees to begin service as quickly as possible, and has reduced the risk of speculation in the IVDS license application process.^{2/}

While EON has no objection to eliminating the one-year buildout requirement, it wishes to rectify any misimpression that such a change may be required due to the lack of availability of IVDS equipment. EON's IVDS equipment will be available commercially well before the one-year buildout deadline. Nonetheless, EON believes that IVDS licensees' equipment choices and short-term deployment schedules should be based on market conditions, rather than arbitrary regulatory constraints. EON is confident that its superior technology will prevail in the marketplace on its own merits. Eliminating the one-year construction benchmark will foster the steady growth of the IVDS industry in response to consumer demand, and thus will serve the public interest.

EON agrees with the Commission that the three- and five-year construction benchmarks for IVDS licensees should be retained,^{3/} in order to fulfill the Commission's statutory obligation to "include performance requirements" for licenses granted through competitive bidding.^{4/} The short-term technology choice considerations that justify eliminating the one-year buildout benchmark do not apply to the three- and five-year

^{2/} Notice at para. 3.

^{3/} Notice at para. 3.

^{4/} 47 U.S.C. §309(j)(4)(B).

benchmarks. These requirements are appropriate means for the FCC, in awarding licenses through competitive bidding, to meet its Congressional mandate to "promote investment in and rapid deployment of new technologies and services."^{5/}

EON wishes to take this opportunity to urge the FCC to act speedily on a related matter, namely the Commission's pending proposal to allow IVDS licensees to provide ancillary mobile services to fixed service subscribers.^{6/} Adoption of that proposal, which received overwhelming support from commenters representing all segments of the IVDS industry, is crucial to ensuring that IVDS becomes a viable communications service. As EON noted in its comments on the matter, the ability to provide mobile services is critical to IVDS licensees' future success in the competitive communications services marketplace. By ensuring the viability of IVDS, the proposed amendment to allow mobile services in the IVDS spectrum will permit IVDS licensees to meet the three- and five-year buildout requirements that would continue to apply under the proposals in the present Notice.

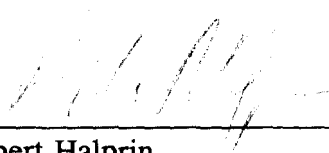
^{5/} 47 U.S.C. §309(j)(4)(B).

^{6/} *In the Matter of Amendment of Part 95 of the Commission's Rules to allow Interactive Video and Data Service licensees to provide mobile service to subscribers*, Notice of Proposed Rulemaking, WT Docket No. 95-47, (rel. May 5, 1995).

For the foregoing reasons, EON respectfully urges the Commission to act promptly on the present Notice and to adopt without delay its proposal to allow IVDS licensees to provide ancillary mobile services to fixed service subscribers.

Respectfully submitted,

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September 20, 1995

CERTIFICATE OF SERVICE

I, Kay Hawkins, hereby certify that a true copy of the Comments of EON Corporation was served by first-class U.S. mail, postage pre-paid, on each of the parties listed below this 20th day of September, 1995.

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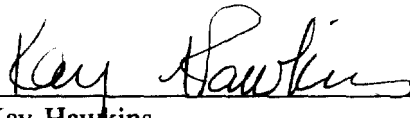
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